# GOVERNMENT OF INDIA
# FINANCE AND COMPANY AFFAIRS
# LOK SABHA

UNSTARRED QUESTION NO:1804
ANSWERED ON:29.11.2002
FUNDS TO STATES
AVSM, BRIG.(RETD.) KAMAKHYA PRASAD SINGH DEO;RAMSHETH THAKUR;THAAWAR CHAND GEHLOT

**Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:**

(a) the purposes for which funds have been allocated by the Union Government to various States during each of the last three years;

(b) the amount of Central fund utilized by each State Government during these years;

(c) whether the Union Government have noticed the under utilization of fund in any State;

(d) if so, the details of such States; and

(e) the reaction of the Union Government thereto?

## Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO V. ADSUL)

(a) Funds have been allocated to State Governments, as on Plan grants as per recommendations of the Finance Commission, as Central Plan Assistance for financing of State's Plans and through various Centrally Sponsored Schemes.

(b) to (e): The State Governments are accountable to their State legislature for proper utilization of funds through State Audit Report prepared by the C&AG of India under Article 151(2) of the Constitution. However, if there is shortfall in Plan expenditure as against approved/revised Plan outlay, a proportionate cut is made from the Central Assistance released to the States.